Saskatchewan
Agriculture
and Food

Farm & Food Report

Communications Branch, Walter Scott Building
3085 Albert Street, Regina, Canada, S4S 0B1

Saskatchewan

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BEEF NUMBERS SHOW MARKET RETURNING TO NORMAL

Statistics Canada's semi-annual survey of cattle herd estimates shows Saskatchewan following a national trend of declining herd sizes in the past year.

Canada's total inventory of cattle and calves was estimated at 16.25 million head as of July 1, 2006, a decrease of five per cent from the survey report of July 1, 2005.

In Saskatchewan, the survey reported the number of cattle and calves at 3.45 million head, which is a decline of five per cent from the herd size one year ago.

Sandy Russell, Beef Economist at Saskatchewan Agriculture and Food's Livestock Development Branch, commented, "We had expected a decline because of the fact that the U.S. border had reopened to live animal exports. When you combine that with a strong cash market, we are not surprised to see a smaller herd this year."

During the period that the U.S. border was closed to Canadian exports, the Saskatchewan beef herd grew close to 18 per cent, or over 200,000 animals, according to Russell. "There were a lot of older animals retained within the breeding herd that needed to be dealt with, and it's good to get them through the system," she said.

In Saskatchewan, the number of beef cows stands at 1.508 million head, down two per cent from last year, according to the Statistics Canada estimate.

Beef herd replacement heifers were down 16 per cent, heifers for slaughter decreased by 26 per cent, steer inventories were 12 per cent lower, and the number of calves was pegged at 1.388 million, down three per cent from 2005.

In comparison with Saskatchewan's five-per-cent reduction in herd size, Alberta was down six per cent and Manitoba decreased by two per cent.

Russell said that, prior to the closure of the border, the Saskatchewan herd was increasing at two to five per cent per year, which indicated a trend of more producers switching to cattle from grain.

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She expects the cattle herd in Saskatchewan will continue to grow over the longer term, because "herds were expanding prior to 2003, and development is again very much on the agenda of Saskatchewan cattle producers."

She added, "We are feeding more cattle in the province than we have in the past. We need to continue to feed and process more and more animals in Saskatchewan."

According to Russell, the ban on exports to the U.S. meant that producers were carrying many more older animals. "We hadn't significantly culled the herd, and that needs to be dealt with," she said. "Overall, we will have a stronger, more sustainable industry as a result of open export markets."

Looking ahead at the cattle cycle, Russell estimates that a drought this year in the American Midwest will postpone expansion in that region, which should mean stability in prices for live animals.

"Of course, the priority for the industry remains getting the border reopened to older animals, which would mean a complete return to normal trade," she said.

Russell pointed out that the emphasis for the Saskatchewan industry is to continue gaining new markets and exporting more beef in boxes rather than on the hoof, and that prospects look good for both of those trends.

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SASKATOON YOUTH WINS NATIONAL AG SCIENCE AWARD

When 14-year-old Ronan Lefol heads back to high school in Saskatoon this fall, he'll have quite a story to tell his science class.

Ronan was one of seven young Canadians to have their research work honoured by Agriculture and Agri-Food Canada (AAFC) at the Canada-Wide Science Fair in Saguenay, Quebec, earlier this summer.

Ronan's particular project was in the field of bioherbicides, a relatively new and emerging area of study focusing on the use of biological agents to control weeds.

Every prairie farmer knows all too well about green foxtail, a grass that can infest grain fields because it grows faster than most other forms of foliage.

Scientists have isolated a fungus, *Pericularia setariae*, that specifically attacks the weed. However, the fungus only occurs naturally in very low populations. In order to use it more effectively for the broader control of green foxtail, researchers need to find ways to carry the micro-organism into farm fields in a more viable application process.

Enter Ronan Lefol.

Ronan sought to find a medium for distributing the fungus' spores that would be suitable for conventional field spraying methods and techniques. He discovered that the most effective way to attack green foxtail without damaging other plants was to mix these spores with sunflower oil and a Tween 80 surfactant, which aids in the blending and efficient dispersal of these agents using water.

His work netted him three awards at the science fair, as well as a $1,000 prize from AAFC.

"I was really surprised to win," Ronan told AAFC. "As soon as I saw that another project was getting an award, I thought I was going home empty-handed."

Ronan worked with AAFC research scientist Dr. Russell Hynes on the project. "He helped me a lot and took time to answer my questions," said Ronan.

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According to Dr. Hynes, the respect was mutual.

"Ronan is a budding young scientist," he said. "He's keen, bright and very hard-working. He asked great questions and showed a lot of interest."

Dr. Hynes feels the research work to which Ronan contributed may very well have commercial applications in the future. Some might aiso consider it to be a more environmentally friendly form of weed control, since it uses a naturally occurring fungus, rather than a synthetically produced chemical, as its active agent.

When asked about Ronan's future as a scientific researcher, Dr. Hynes stated, "I'd say he's well on his way to being among the next generation of rising scientists in Canada."

That would suit Ronan just fine. He noted that he enjoys both marine biology and agriculture at present, but one thing is certain: "I will definitely be studying in the field of science."

His home province will certainly be rooting for him to choose agriculture!

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APPLICATIONS NOW AVAILABLE FOR 4-H AGRICULTURE SCHOLARSHIPS

Applications are now available online for the 2006 4-H Agriculture Scholarships.

This is the sixth year for the $2,000 scholarships, sponsored by the T.D. Bank Financial Group. The goal of the bursaries are to help 4-H members attain their educational goals in agriculture-related or agribusiness studies.

The scholarship recognizes 10 students from across Canada who plan to attend a Canadian college or university for agriculture-related or agribusiness studies. Endowments will be awarded to students who achieve the highest academic standing in the following geographical regions: British Columbia/Yukon, Western Canada/ N.W.T./Nunavut, Ontario, Quebec and Atlantic Canada.

"The T.D. 4-H Agriculture Scholarship invests directly in the future of agriculture and agribusiness in Canada. We believe strongly in supporting the development of our greatest asset – our youth," said Marie Logan, president of the Canadian 4-H Council.

"The T.D. Bank Financial Group is committed to supporting the education of our youth, and we are delighted to once again offer this scholarship," said Matthew Holden, the Manager of Agriculture Credit Products with T.D. Canada Trust. "We know that 4-H members make significant contributions to agriculture in this country and we are very pleased to give these students assistance in reaching their academic goals."

T.D. 4-H Agriculture Scholarships are open to all active 4-H members who have reached the age of 16, and who plan on attending a recognized program of agriculture or agribusiness studies within Canada.

The deadline for applications is October 4, 2006, with the recipients to be announced in November. Information and application forms are available online at www.4-h-canada.ca, or by contacting the Canadian 4-H Council directly at 613-234-4448, ext. 26.

(more)

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EXTRACTING MORE PROFIT FROM HERBS AND SPICES

Saskatchewan herb and spice growers are eagerly awaiting upcoming tests of a new piece of equipment that has the potential to open up new markets and new opportunities for producers.

"The essential oil industry is exploding, and Saskatchewan can capitalize on the value-add," said Wanda Wolf of the Saskatchewan Herb and Spice Association.

The excitement is centred around the development of a portable essential oil extractor being developed by the Prairie Agricultural Machinery Institute (PAMI), with the financial assistance of the provincial government's Agriculture Development Fund.

An essential oil is a concentrated liquid containing volatile aromatic compounds extracted from plants. Essential oils are used in perfumes, aromatherapy, cosmetics, incense, food and drink flavours, household cleaning products and even some medicines.

While spices are often grown for seed under contract, the possibility of extracting essential oils from the screenings or foliage of spice crops, such as dill or caraway, can offer increased revenue opportunities.

Wolf said the essential oils industry is growing, noting that her association currently has over 300 members.

"PAMI's portable extractor is very timely for getting in on a lot of the new products adding essential oils," she said. "Everything from dog food to the diffusers that go with your air fresheners all have essential oil in them. There are so many Saskatchewan products, whether they be wild-crafted or grown in a field-scale setting, that can be distilled for their essential oils."

Spice crops alone represent significant acreage in Saskatchewan. In 2005, there were 22,000 acres of coriander seeded and 14,000 acres of caraway planted in Saskatchewan.

However, the amount of material does not always justify the construction of a plant, and some types of raw material require processing at the source: hence, the value of a small-scale portable extractor.

PAMI's Senior Manager of Research and Development, Phil Leduc, agreed with this perspective, and pointed out that not all of the opportunity lies with seeded crops.

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"There are dozens and dozens of wild plants and cultivated plants that are being grown from which it is possible to extract essential oils that can be sold at extremely high prices," he said. "These essential oils sell in dollars per gram. They are extremely valuable."

However, a key piece of the puzzle has been missing for Saskatchewan producers to truly capitalize on the opportunity. Wolf said that a portable essential oil extractor could increase the quality of the oil produced, and ultimately the value of the product.

"Currently, Saskatchewan doesn't have a portable distiller," she explained. "Some of the crops, like lemon balm, are very sensitive. Once you pick lemon balm, you only have an hour or two, depending on the temperature outside, before it is losing its essential oils."

For other crops, the lack of a portable distiller has meant a missed opportunity altogether.

"Let's say wild bergamot, which is a beautiful flowering herb that grows in the southern part of Saskatchewan," Wolf said. "If you had your distiller down there while it's in bloom, you would have the best quality oil that you could possibly have. If you had to take it anywhere, it would (reduce the quality). That's why we've never done it, because we have no place close enough to take it to."

Leduc indicated the essential oil pilot project is coming together nicely.

"At this point in time, we are finishing welding up some of the parts and will be assembling it over the next two or three weeks. We are hoping that, by the end of September, it will be complete and ready to go," he said.

Wolf sees an opportunity to make an impact beyond the industry.

"This distiller that PAMI is building could go up to any of the small communities up north, where they have a community venture where everybody is bringing in product to distil," she observed. "You have one tech person running the distiller, and what have you done? You've created a huge income stream for that whole community."

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WORKSHOPS ON NATURAL HEALTH PRODUCTS HOLD BENEFIT FOR AGRICULTURE

Agricultural producers and entrepreneurs with an idea for processing their commodities into natural health products (NHPs) have some help available to make it happen.

Ag-West Bio Inc. is working with the Western Canadian Functional Food and Natural Health Product Network, the Province of Alberta and the Manitoba Food Processors Association to host a series of workshops on setting up facilities to process and manufacture NHPs.

The first of the four workshops will be held September 20 at Innovation Place in Saskatoon.

"With the increasing interest from consumers in managing their own health and seeking access to healthy products, this market is expected to continue growing," said Krista Dennis, Director of Communications with Ag-West Bio Inc.

"Producers in Saskatchewan and all across Canada are looking for ways to enhance their bottom lines and add value to the crops they grow," she added. "This is one of the ways they can certainly do that, if they're willing to invest a little time and effort in the start-up."

Dennis stated that a number of agricultural commodities common to Saskatchewan can be refined into NHPs. Flax is an excellent source of omega-3 essential fatty acids and lignans, both popular health supplements. Canola is also rich in omega-3s, and is a good source of Vitamin E. Fenugreek, hemp and borage are just three types of specialty crops grown in the province that can be processed into very desirable health products.

However, along with the increasing activity in this area has come new federal regulations. That's one of the reasons Dennis said the workshops became necessary.

"As of 2004, Health Canada instituted a new regulatory and licensing scheme, administered through their Natural Health Products Directorate. Since the products are being marketed and sold for their health benefits, the requirements become a bit more onerous. But this lets the consumer know that the products are legitimate and that they are safe, so there's also some benefit for manufacturers," she noted.

(more)

"We just want to make sure that people who might want to get into this area are aware of the guidelines, and know that help is available in complying with them."

Dennis indicated the first workshop will focus on planning and building NHP facilities that incorporate "Good Manufacturing Practices," or GMPs, into the design. These are both cost-saving and performance-enhancing methods on how to establish an operation that meets the latest NHP regulations.

"This is a good introductory course for anyone wanting to learn more about the facility design and regulatory compliance required to process natural health products," said Dennis.

Registration for the workshop is $175 per person for Ag-West Bio Inc. members, and $200 per person for non-members. "The investment could lead to something much bigger and better for agricultural producers, entrepreneurs or public policymakers who take part," she added.

More information on the NHP workshop can be found on the Events Calendar on the Ag-West Bio Inc. website, at www.agwest.sk.ca.

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